

7.5.5 NYNEX and MFS will work cooperatively to arrange meetings with PSAPs to answer any technical questions the PSAPs, or county or municipal coordinators may have regarding the 911/E911 arrangements.

7.5.6 MFS will compensate NYNEX for connections to its 911/E911 pursuant to the Pricing Schedule.

7.5.7 MFS will comply with all applicable rules and regulations pertaining to the provision of 911/E911 services in the state of New York.

8.0 JOINT NETWORK RECONFIGURATION AND GROOMING PLAN; AND INSTALLATION, MAINTENANCE, TESTING AND REPAIR.

8.1 Joint Network Reconfiguration and Grooming Plan. On or before October 1, 1996, MFS and NYNEX shall jointly develop a grooming plan (the "Joint Grooming Plan") which shall define and detail, inter alia,

- (a) agreement on Physical Architecture consistent with the guidelines defined in Section 4.0;
- (b) standards to ensure that Interconnection trunk groups experience a grade of service, availability and quality which is comparable to that achieved on interoffice trunks within NYNEX's network and in accord with all appropriate relevant industry-accepted quality, reliability and availability standards;
- (c) the respective duties and responsibilities of the Parties with respect to the administration and maintenance of the trunk groups, including but not limited to standards and procedures for notification and discoveries of trunk disconnects;
- (d) disaster recovery provision escalations; and
- (e) such other matters as the Parties may agree.

8.2 Installation, Maintenance, Testing and Repair. NYNEX's standard intervals as defined in NYNEX's New York Tariff P.S.C. No. 914 will be utilized in connection with the establishment of all interconnection trunking arrangements between the Parties. MFS shall meet the same intervals for comparable installations, maintenance, joint testing, and repair of its facilities and services associated with or used in conjunction with Interconnection. If either Party is unable to meet the intervals specified herein, that Party shall notify the other and will negotiate additional intervals in good faith.

9.0 UNBUNDLED ACCESS -- SECTION 251(c)(3)

9.1 Local Link Transmission Types

Subject to Section 9.5, NYNEX shall allow MFS to access the following Link types (in addition to those Links available under applicable tariffs) unbundled from local switching and local transport in accordance with the terms and conditions set forth in this Section 9.

9.1.1 "2-Wire Analog Voice Grade Links" or "Analog 2W" which support analog transmission of 300-3000 Hz, repeat link start, link reverse battery, or ground start seizure and disconnect in one direction (toward the End Office Switch), and repeat ringing in the other direction (toward the Customer). Analog 2W include Links sufficient for the provision of PBX trunks, pay telephone lines and electronic key system lines.

9.1.2 "4-Wire Analog Voice Grade Links" or "Analog 4W" which support transmission of voice grade signals using separate transmit and receive paths and terminate in a 4-wire electrical interface.

9.1.3 "2-Wire ISDN Digital Grade Links" or "BRI ISDN" which support digital transmission of two 64 kbps bearer channels and one 16 kbps data channel. BRI ISDN is a 2B+D Basic Rate Interface-Integrated Services Digital Network (BRI-ISDN) Link which will meet national ISDN standards and conform to ANSI T1.601-1992 & T1E1.4 90-004R3.

9.2 ADSL and HDSL

The Parties acknowledge that ADSL is not currently deployed for use in the NYNEX network. NYNEX is conducting a technical trial that is due to be completed by the end of the first quarter 1997 testing ADSL technology. NYNEX will share its interim findings and conclusion and consult with MFS regarding the issues related to deploying ADSL in NYNEX's network. If the issues surrounding deployment of ADSL in NYNEX's network are satisfactorily resolved and ADSL is deployed, NYNEX shall allow MFS to access ADSL links unbundled from local switching and local transport in accordance with the terms and conditions set forth in this Section 9.

9.2.1 "2-Wire ADSL-Compatible Link" or "ADSL 2W" is a transmission path which facilitates the transmission of up to a 6 Mbps digital signal downstream (toward the Customer) and up to a 640 kbps digital signal upstream (away from the Customer) while simultaneously carrying an analog voice signal. An ADSL-2W is provided over a 2-Wire non-loaded twisted copper pair provisioned using revised resistance design guidelines and meeting ANSI Standard T1.413-1995-007R2. An ADSL-2W terminates in a 2-wire electrical interface at the Customer premises and at the NYNEX Central Office frame. ADSL technology can only be deployed over Links which extend less than 18 Kft. from NYNEX's Central Office. ADSL compatible Links are only available where existing copper facilities can meet the ANSI T1.413-1995-007R2 specifications.

9.2.2 "2-Wire HDSL-Compatible Link" or "HDSL 2W" is a transmission path which facilitates the transmission of a 768 kbps digital signal over a 2-Wire non-loaded twisted copper pair meeting the specifications in ANSI T1E1 Committee Technical Report Number 28 /

T1E1 492-002R3. HDSL compatible Links are available only where existing copper facilities can meet the T1E1 Technical Report Number 28 specifications.

9.2.3 "4-Wire HDSL-Compatible Link" or "HDSL 4W" is a transmission path which facilitates the transmission of a 1.544 Mbps digital signal over two 2-Wire non-loaded twisted copper pairs meeting the specifications in ANSI T1E1 Committee Technical Report Number 28. HDSL compatible Links are available only where existing copper facilities can meet the specifications.

9.2.4 Links will be offered on the terms and conditions specified herein and on such other terms in applicable tariffs that are not inconsistent with the terms and conditions set forth herein. NYNEX shall make Links available to MFS at the rates specified by the Commission, as amended from time to time, subject to the provisions of Section 9.9.

9.3 Port Types

NYNEX shall make available to MFS unbundled Ports in accordance with the terms and conditions of and at the rates specified in applicable tariffs.

9.4 Private Lines, Special Access and Switched Transport

NYNEX shall provide unbundled private lines, special access and switched local transport from the trunk side of its switches in accordance with the terms and conditions of and at the rates specified in applicable tariffs.

9.5 Limitations on Unbundled Access

9.5.1 MFS may not cross-connect a NYNEX-provided Link to a NYNEX-provided Port but instead shall purchase a network access line under applicable tariffs.

9.5.2 NYNEX shall only be required to provide Links and Ports where such Links and Ports are available.

9.5.3 MFS shall access NYNEX's unbundled Network Elements specifically identified in this Agreement via Collocation in accordance with Section 12 at the NYNEX Wire Center where those elements exist and each Link or Port shall be delivered to MFS' Collocation node by means of a Cross Connection or strapping which in the case of Links, is included in the rates set forth in Pricing Schedule.

9.5.4 NYNEX shall provide MFS access to its unbundled Links at each of NYNEX's Wire Centers. In addition, if MFS requests one or more Links serviced by Integrated Digital Link Carrier or Remote Switching technology deployed as a Link concentrator, NYNEX shall, where available, move the requested Link(s) to a spare, existing physical Link at no charge to MFS. If, however, no spare physical Link is available, NYNEX shall within 3 Business days of MFS' request notify MFS of the lack of available facilities. MFS may then at its discretion

make a Network Element Bona Fide Request to NYNEX to provide the unbundled Link through the demultiplexing of the integrated digitized Link(s). MFS may also make a Network Element Bona Fide Request for access to unbundled Links at the Link concentration site point. Notwithstanding anything to the contrary in this Agreement, the provisioning intervals set forth in Section 9.7 and the Performance Interval Dates and Performance Criteria set forth in Section 26.1 shall not apply to unbundled Links provided under this Section 9.5.4.

9.5.5 If MFS orders a Link type and the distance requested on such Link exceeds the transmission characteristics as referenced in the corresponding Technical Reference specified below, distance extensions may be required and additional rates and charges shall apply as set forth on the Pricing Schedule. Parties agree that full technical solutions may not be available for HDSL and ADSL for these arrangements at the signing of this agreement, but will make a good faith effort to implement such solutions.

Link Type	Technical Reference/Limitation
Electronic Key Line	2.5 miles
ISDN	Bellcore TA-NWT-000393
HDSL 2W	T1E1 Technical Report Number 28
HDSL 4W	T1E1 Technical Report Number 28
ADSL 2W	ANSI T1.413-1995 Specification

9.6 Availability of Other Network Elements on an Unbundled Basis

9.6.1 NYNEX shall, upon request of MFS, at any technically feasible point provide to MFS access to its Network Elements on an unbundled basis for the provision of MFS' Telecommunications Service. Any request by MFS for access to an NYNEX Network Element that is not already available shall be treated as a Network Element Bona Fide Request. MFS shall provide NYNEX access to its Network Elements as mutually agreed by the Parties or as required by the Act, Commission or FCC.

9.6.2 A Network Element obtained by one Party from the other Party under this Section 9.6 may be used in combination with the facilities of the requesting Party only to provide a Telecommunications Service, including obtaining billing and collection, transmission, and routing of the Telecommunications Service.

9.6.3 Notwithstanding anything to the contrary in this Section 9.6, a Party shall not be required to provide a proprietary Network Element to the other Party under this Section 9.5 except as required by the Act, Commission or FCC.

9.7 Provisioning of Unbundled Links

The following coordination procedures shall apply for new unbundled Links and the conversions of "live" Telephone Exchange Services to unbundled Links (herein after referred to as "hot cuts"):

9.7.1 MFS shall request unbundled Links from NYNEX by delivering to NYNEX a valid electronic transmittal Service Order using the NYNEX electronic ordering platform (as cooperatively designed and implemented to meet the minimum requirements for information exchange needed to order and provision services to certified local exchange carriers and enhanced to support industry standards as developed for interconnection services) or another mutually agreed upon system. Within 2 business days of NYNEX's receipt of a Service Order, NYNEX shall provide MFS the firm order commitment ("FOC") date according to the applicable Performance Interval Dates set forth in Section 26.1 by which the Link(s) covered by such Service Order will be installed.

9.7.2 NYNEX agrees to accept from MFS at the time the service request is submitted for scheduled conversion of hot cut unbundled link orders, a desired date and time (the "Scheduled Conversion Time") in the "A.M." (12:00 midnight to 12:00 noon) or "P.M." (12:00 noon to 12:00 midnight) (as applicable, the "Conversion Window") for the hot cut.

9.7.3 NYNEX shall test for MFS dial tone at the POT bay by testing through the tie cable provisioned between the NYNEX main distributing frame and the MFS expanded interconnection node 48 hours prior to the Scheduled Conversion Time.

9.7.4 Not less than one hour prior to the Scheduled Conversion Time, either Party may contact the other Party and unilaterally designate a new Scheduled Conversion Time (the "New Conversion Time"). If the New Conversion Time is within the Conversion Window, no charges shall be assessed on or waived by either Party. If, however, the New Conversion Time is outside of the Conversion Window, the Party requesting such New Conversion Time shall be subject to the following:

If NYNEX requests the New Conversion Time, the applicable Line Connection Charge shall be waived; and

If MFS requests the New Conversion Time, MFS shall be assessed a Line Connection Charge in addition to the Line Connection Charge that will be incurred for the New Conversion Time.

9.7.5 Except as otherwise agreed by the Parties for a specific conversion, such as large cutovers of 10 lines or more that have negotiated intervals, the Parties agree that the time interval expected from disconnection of NYNEX's "live" Telephone Exchange Service to the connection of an unbundled Network Element at the MFS Collocation node's POT bay will be accomplished within a window of time as detailed following: Between the effective date of this Agreement and 9/30/96 one hundred twenty (120) minutes; between 10/1/96 and 12/31/96 ninety (90) minutes; from 1/1/97 through the end of this agreement sixty (60) minutes or less. If a conversion interval exceeds sixty (60) minutes and such delay is caused solely by NYNEX (and not by a contributing Delaying Event (as defined in Section 26.4)), NYNEX shall waive the applicable tariffed Line Connection Charge for such element. If MFS has ordered INP with the installation of a Link, NYNEX will coordinate the implementation of INP with the Link conversion during with the above stated intervals at no additional charge.

9.7.6 If MFS requests or approves a NYNEX technician to perform services in excess of or not otherwise contemplated by the Line Connection charge NYNEX may charge MFS for any additional and reasonable labor charges to perform such services.

9.7.7 If as the result of end user actions, (e.g., Customer not ready [CNR]), NYNEX cannot complete requested work activity when a technician has been dispatched to the site MFS will be assessed a non-recurring charge associated with this visit. This charge will be the sum of the Service Order Charge and Premises Visit Charge as specified in the NYPSC Tariffs Nos. 900/914.

9.8 Maintenance of Unbundled Network Elements

If (i) MFS reports to NYNEX a Customer trouble, (ii) MFS requests a dispatch, (iii) NYNEX dispatches a technician and (iv) such trouble was not caused by NYNEX's facilities or equipment in whole or in part, then MFS shall pay NYNEX a trip charge of \$60.00 and \$29.15 per quarter hour for time associated with said dispatch beyond the first 1/2 hour. In addition this charge also applies when the end user contact as designated by MFS is not available at the appointed time. MFS accepts responsibility for initial trouble isolation and providing NYNEX with appropriate dispatch information based on their test results. If as the result of MFS instructions, NYNEX is erroneously requested to dispatch within a NYNEX Central Office or to a POT Bay ("dispatch in"), a charge of \$100.00 per occurrence will be assessed to MFS by NYNEX.

9.9 True-Up of Monthly Unbundled Link Charges for New York

9.9.1 NYNEX agrees to provide true-ups with MFS for all links purchased from the NYPSC Tariff No. 900, Section 26, by MFS through the end of the initial term of this Agreement up to:

- a) the date of the Initial Link Rate Decision, as defined in Section 9.9.3;
and for
- b) the date of the Final Link Rate Decision, as defined in Section 9.9.4.

9.9.2 "Current Monthly Rate" is the amounts billed pursuant to NYPSC Tariff No. 900, Section 26, plus cross connect ("SAC") and EUCL charges, as modified subsequent to this agreement. If an interim rate is ordered by the PSC, the Current Monthly Rate will be set at the interim rate, plus cross connect and EUCL, only for the period during which the interim rate is in effect.

9.9.2.1 Notwithstanding the foregoing paragraph 9.9.2, nothing in this Agreement shall be construed to imply that MFS agrees that \$24.75 (the sum of the current link rate plus SAC and EUCL) is a reasonable or appropriate charge for unbundled links.

9.9.3 "Initial Link Rate Decision" is any decision of the PSC establishing a permanent monthly link rate which is issued subsequent to the date of the execution of this Agreement and before the expiration of the initial term of this Agreement in Cases 95-C-0657, 94-C-0095, and 91-C-1174.

9.9.4 "Final Link Rate Decision" represents any of the following which occur during the initial term of this Agreement that produces a rate lower than the Initial Link Rate Decision:

- a) any link rate established by any rules by the FCC or appeals ruled upon in any federal or state court of competent jurisdiction, that modifies the permanent link rate referenced in 9.9.3 subsequent to a decision of the PSC in Cases 95-C-0657, 94-C-0095, and 91-C-1174 establishing final monthly link rates.
- b) any rate established through arbitration between NYNEX and a third party that is approved by a ruling of the PSC, the FCC or any federal or state court of competent jurisdiction.
- c) the most favorable (lowest) negotiated link rate agreed to by NYNEX and a third party.

9.9.5 "Initial Link Months" represents the cumulative sum of total links in service to MFS each month for the period beginning July 1, 1994 and ending at the date of the Initial Link Rate Decision. For example, if 10 links are in service each month for 5 months, the number of Link Months would equal 50.

9.9.6 "Final Link Months" represents the cumulative sum of total links in service to MFS each month for the period beginning July 1, 1994 and ending at the date of the Final Link Rate Decision.

9.9.7 "Initial Per-Link True-up" represents the difference between the Current Monthly Rate and the rate established under the Initial Link Rate Decision, where the latter is lower than the former; if the rate established by the Initial Link Rate Decision is equal to or greater than the Current Monthly Rate, the Initial Per-Link True-Up shall be deemed to be zero (0).

9.9.8 "Final Per-Link True-up" represents the difference between the rate established under any Initial Link Rate Decision and the Final Link Rate Decision; or the difference between the Current Monthly Rate and the Final Link Rate Decision absent any Initial Link Rate Decision, if any, where the latter is lower than the former; if the rate established by the Final Link Rate Decision is equal to or greater than the Current Monthly Rate, the Final Per-Link True-Up shall be deemed to be zero (0).

9.9.9 "Initial True-up Amount" is the product amount calculated by multiplying Initial Link Months by the Initial Per-Link True-up.

9.9.10 "Final True-up Amount" is the product amount calculated by multiplying Link Months by the Final Per-Link True-up.

9.9.11 NYNEX agrees to pay MFS the Initial True-up Amount as applicable within 30 days of the Initial Link Rate Decision.

9.9.12 NYNEX agrees to pay MFS the Final True-up Amount as applicable within 30 days of any Final Link Decision.

9.9.13 MFS and NYNEX will mutually determine the number of Link Months within 30 days of this Agreement, and will track the number of Link Months on a prospective basis up until payment of the Final True-up Amount.

9.10 Acknowledgments Related to Unbundled Network Elements

9.10.1 MFS acknowledges that NYNEX's provision of unbundled links provides it with local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.

9.10.2 MFS acknowledges that NYNEX's provision of unbundled switched transport provides it with local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.

9.10.3 MFS acknowledges that NYNEX's provision of unbundled line-side ports and unbundled trunk-side ports makes available local switching unbundled from transport, local loop transmission and other services.

9.10.4 MFS acknowledges that the Network Element Bona Fide Request Process established pursuant to this Agreement satisfies the requirements of the Act to provide unbundled network elements.

10.0 RESALE -- SECTIONS 251(c)(4) and 251(b)(1)

10.1 Availability of Wholesale Rates for Resale

NYNEX shall offer to MFS for resale at wholesale rates its local exchange telecommunications services, as described in Section 251(c)(4) of the Act, at the rates set forth in the Pricing Schedule, pending approval by the PSC of permanent resale rates, pursuant to the terms and conditions of NYNEX's applicable approved tariffs. Effective October 1, 1996, NYNEX shall make such resale arrangements available.

10.2 Availability of Retail Rates for Resale

Each Party shall make available its Telecommunications Services for resale at retail rates to the other Party in accordance with Section 251(b)(1) of the Act in accordance with each Party's applicable approved tariffs.

10.3 Term and Volume Discounts

NYNEX, in response to an MFS request, agrees to offer term and volume discounts for resold retail services.

11.0 NOTICE OF CHANGES -- SECTION 251(c)(5)

If a Party makes a change in its network which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party.

12.0 COLLOCATION -- SECTION 251(c)(6)

12.1 NYNEX shall provide to MFS Physical Collocation for its transport facilities and equipment, pursuant to the terms and conditions of NYNEX's applicable tariffs on file with the appropriate regulatory agency and License Agreements, as necessary for Interconnection (pursuant to Section 4.0) or for access to unbundled Network Elements (pursuant to Section 9.0). NYNEX may provide for Virtual Collocation if NYNEX demonstrates to the Commission that Physical Collocation is not practical for technical reasons or because of space limitations, as provided in Section 251(c)(6) of the Act. Upon request by MFS and to the extent technically feasible and as space permits, NYNEX shall provide collocation at additional locations for placement of such equipment and alternative physical collocation arrangements.

12.2 Although not required to do so by Section 251(c)(6) of the Act, by this Agreement, MFS agrees to provide to NYNEX upon NYNEX's Network Element Bona Fide Request, Collocation of equipment for purposes of Interconnection (pursuant to Section 4.0) on a non-discriminatory basis and at comparable rates, terms and conditions as MFS may provide to other third parties. MFS shall provide such Collocation subject to applicable tariffs or contracts.

12.3 The Collocating Party shall provide its own or third-party leased transport facilities and terminate those transport facilities in equipment located in its Physical Collocation space at the Housing Party's premises as described in applicable tariffs or contracts and purchase Cross Connection to services or facilities as described in applicable tariffs or contracts.

13.0 NUMBER PORTABILITY -- SECTION 251(b)(2)

13.1 Scope

13.1.1 The Parties shall provide Number Portability on a reciprocal basis to each other to the extent technically feasible, and in accordance with rules and regulations as from time to time prescribed by the FCC and/or the Commission.

13.1.2 Until Number Portability is implemented by the industry pursuant to regulations issued by the FCC or the Commission, the Parties agree to provide Interim Telecommunications Number Portability ("INP") to each other through remote call forwarding, route indexing, and full NXX code migration at the prices listed in the Pricing Schedule.

13.1.3 Once Number Portability is implemented pursuant to FCC or Commission regulation, either Party may withdraw, at any time and at its sole discretion, its INP offerings, subject to advance notice to the other Party and coordination to allow the seamless and transparent conversion of INP Customer numbers to Number Portability. Upon implementation of Number Portability pursuant to FCC regulation, both Parties agree to conform and provide such Number Portability.

13.2 Procedures for Providing INP Through Remote Call Forwarding

MFS and NYNEX will provide INP through Remote Call Forwarding as follows:

13.2.1 A Customer of one Party ("Party A") elects to become a Customer of the other Party ("Party B"). The Customer elects to utilize the original telephone number(s) corresponding to the Exchange Service(s) it previously received from Party A, in conjunction with the Exchange Service(s) it will now receive from Party B. Upon receipt of a signed letter of agency from the Customer (and an associated service order) assigning the number to Party B, Party A will implement an arrangement whereby all calls to the original telephone number(s) will be forwarded to a new telephone number(s) designated by Party B. Party A will route the forwarded traffic to Party B over the appropriate Local/IntraLATA Trunks as if the call had originated on Party A's network.

13.2.2 Party B will become the customer of record for the original Party A telephone numbers subject to the INP arrangements. Party A shall use its reasonable efforts to consolidate into as few billing statements as possible for all collect, calling card, and 3rd-number billed calls associated with those numbers, with sub-account detail by retained number. At Party B's sole discretion, such billing statement shall be delivered to Party B in an agreed-upon format via either electronic file transfer, daily magnetic tape, or monthly magnetic tape.

13.2.3 Party A will update its Line Information Database ("LIDB") listings for retained numbers, and restrict or cancel calling cards associated with those forwarded numbers as directed by Party B.

13.2.4 Within two (2) business days of receiving notification from the Customer, Party B shall notify Party A of the Customer's termination of service with Party B, and shall further notify Party A as to that Customer's instructions regarding its telephone number(s). Party

A will reinstate service to that Customer, cancel the INP arrangements for that Customer's telephone number(s), or redirect the INP arrangement to another INP-participating-LEC pursuant to the Customer's instructions at that time.

13.3 Procedures for Providing INP Through Route Indexing

Upon mutual agreement, NYNEX will deploy a Route Index arrangement which combines direct trunks, provisioned between NYNEX and MFS' end offices, with trunk side routing translations. Under this arrangement, inbound calls to a ported number will be pointed at a route index that sends the call to a dedicated trunk group, built as a direct final, for the sole purpose of facilitating completion of calls to a ported number. NYNEX will coordinate with MFS to provide this solution in a mutually agreeable and administratively manageable manner (e.g., NXX level) so as to minimize switch resource utilization for both Parties.

13.4 Procedures for Providing INP Through Full NXX Code Migration

Where either Party has activated an entire NXX for a single Customer, or activated a substantial portion of an NXX for a single Customer with the remaining numbers in that NXX either reserved for future use or otherwise unused, if such Customer chooses to receive service from the other Party, the first Party shall cooperate with the second Party to have the entire NXX reassigned in the LERG (and associated industry databases, routing tables, etc.) to an End Office operated by the second Party. Such transfer will be accomplished with appropriate coordination between the Parties and subject to appropriate industry lead-times for movements of NXXs from one switch to another.

13.5 Other Interim Number Portability Options

MFS may also request Direct Inward Dial Trunks pursuant to applicable tariffs. NYNEX and MFS will trial Number Portability in connection with information services traffic (e.g., 976). Until the trial is completed, interim number portability will not be available for use with information services traffic.

13.6 Receipt of Terminating Compensation on Traffic to INP'ed Numbers

The Parties agree that the prices set forth in the Pricing Schedule shall apply for each number ported.

The Parties agree that under INP terminating compensation on calls to INP'ed numbers should be received by each Customer's chosen LEC as if each call to the Customer had been originally addressed by the caller to a telephone number bearing an NPA-NXX directly assigned to the Customer's chosen LEC. In order to accomplish this objective where INP is employed, the Parties shall utilize the process set forth in this Section 13.6 whereby terminating compensation on calls subject to INP will be passed from the Party (the "Performing Party") which performs the INP to the other Party (the "Receiving Party") for whose Customer the INP is provided.

13.6.1 The Parties shall individually and collectively track and quantify INP traffic between their networks based on the CPN of each call by identifying CPNs which are INP'ed numbers. The Receiving Party shall charge the Performing Party for each minute of INP traffic at the INP Traffic Rate specified in Section 13.6.3 in lieu of any other compensation charges for terminating such traffic.

13.6.2 By the Interconnection Activation Date in each LATA, the Parties shall jointly estimate for the prospective year, based on historic data of all traffic in the LATA, the percentages of such traffic that if dialed to telephone numbers bearing NPA-NXXs directly assigned to a Receiving Party (as opposed to the INP'ed number) would have been subject to (i) Reciprocal Compensation ("Reciprocal Traffic"), (ii) appropriate intrastate FGD charges ("Intra Traffic"), (iii) interstate FGD charges ("Inter Traffic"), or (iv) handling as Local Traffic under transiting arrangements between the Parties ("Transit Traffic"). On the date which is six (6) months after the Interconnection Activation Date, and thereafter on each succeeding six month anniversary of such Interconnection Activation Date, the Parties shall establish new INP traffic percentages to be applied in the prospective six (6) month period, based on actual INP traffic percentages from the preceding six (6) month period.

13.6.3 The INP Traffic Rate shall be equal to the sum of:

(Reciprocal Traffic percentage times the Reciprocal Compensation Rate set forth in the Pricing Schedule) plus (Intra Traffic percentage times NYNEX's effective intrastate FGD rates) plus (Inter Traffic percentage times NYNEX's effective interstate FGD rates).

A rate of zero shall be applied to the Transit Traffic percentage.

14.0 NUMBER RESOURCES ASSIGNMENTS

NYNEX shall continue to assign to MFS NXX codes in accordance with national guidelines at no charge.

15.0 DIALING PARITY -- SECTION 251(b)(3)

NYNEX shall provide Local Dialing Parity as required under Section 251(b)(3) of the Act in the following manner: Telephone numbers are provided pursuant to Section 14.0; Directory Assistance is provided pursuant to Section 19.2; Directory Listings are provided pursuant to section 19.1; and Operator Services are provided to Sections 19.2.4 and 19.2.6.

16.0 ACCESS TO RIGHTS-OF-WAY -- SECTION 251(b)(4)

Each Party shall provide the other Party access to its poles, ducts, rights-of-way and conduits it owns or controls, to the extent permitted by law and as required by Section 224 of the Act or Commission Order, on terms, conditions and prices comparable to those offered to any

other entity pursuant to each Party's applicable tariffs and/or standard agreements with such entities

17.0 DATABASES AND SIGNALING

NYNEX shall provide MFS with interfaces to access NYNEX's databases, including LIDB and 800/888, as well as DCAS for ordering and provisioning purposes, and associated signaling necessary for the routing and completion of MFS' traffic through the provision of SS7 under its applicable tariffs.

18.0 REFERRAL ANNOUNCEMENT

When a Customer changes its service provider from NYNEX to MFS, or from MFS to NYNEX, and does not retain its original telephone number, the Party formerly providing service to such Customer shall provide a referral announcement ("Referral Announcement") on the abandoned telephone number which provides details on the Customer's new number. Referral Announcements shall be provided reciprocally, free of charge to either the other Party or the Customer, for a period of not less than four (4) months after the date the Customer changes its telephone number in the case of business Customers and not less than sixty (60) days after the date the Customer changes its telephone number in the case of residential Customers. However, if either Party provides Referral Announcements for a period different than the above respective periods when its Customers change their telephone numbers, such Party shall provide the same level of service to Customers of the other Party.

19.0 DIRECTORY SERVICES ARRANGEMENTS

NYNEX will provide certain directory services to MFS as defined herein. In this Section 19 of this Agreement, references to MFS customer telephone numbers means telephone numbers falling within NXX codes directly assigned to MFS and to numbers which are retained by MFS on the customer's behalf pursuant to Interim Telephone Number Portability arrangements described in Section 13 of this Agreement.

19.1 Directory Listings and Directory Distributions

19.1.1 NYNEX will include MFS' customers telephone numbers in all of its "White Pages" and "Yellow Pages" directory listings (including electronic directories) and directory assistance databases associated with the areas in which MFS provides services to such customers, and will distribute such directories to such customers, in an identical and transparent manner in which it provides those functions for its own customers' telephone numbers.

19.1.2 NYNEX will include all MFS NXX codes associated with the areas to which each directory pertains, along with NYNEX's own NXX codes in any maps or lists of such codes which are contained in the general reference portions of the directories. MFS' NXX codes shall appear in such maps or lists in the same manner as NYNEX's NXX information.

19.1.3 MFS will provide NYNEX with its directory listings and daily updates to those listings (including new, changed, and deleted listings) in a mutually agreed upon format at no charge

19.1.4 NYNEX will accord MFS' directory listing information the same level of confidentiality which NYNEX accords its own directory listing information.

19.1.5 NYNEX shall provide MFS at no charge with (i) one basic directory listing per customer number, (ii) directory distribution for MFS customers, and (iii) listings of MFS customers in the directory assistance database.

19.1.6 NYNEX will provide MFS with a report of all MFS customer listings 90 days prior to directory publication in such form and format as may be mutually agreed to by both parties. Both Parties shall use their best efforts to ensure the accurate listing of such information.

19.2 Directory Assistance (DA) and Operator Services

19.2.1 NYNEX will provide MFS' operators an on-line access to NYNEX directory assistance database, when and where such access becomes available to organizations outside NYNEX. At MFS' option, NYNEX will provide MFS with intraLATA directory assistance service, MFS-branded directory assistance and call completion at prices set forth in the Pricing Schedule.

19.2.2 At MFS' request, NYNEX will provide to MFS unbranded directory assistance service which is comparable to the directory assistance service NYNEX makes available to its own end users at the prices set forth in the Pricing Schedule.

19.2.3 At MFS' option, NYNEX will provide MFS with intraLATA directory assistance service, MFS-branded directory assistance and call completion service in a manner comparable in every way to the way in which it provides those services to its own end users.

19.2.4 NYNEX will provide to MFS on request operator services trunk groups, utilizing Feature Group-D type signaling, with ANI, minus OZZ when interconnecting to the NYNEX operator services network.

19.2.5 MFS (or its operator service provider) and NYNEX will provide LEC-to-LEC Busy Line Verification and Interrupt (BLV/I) trunks to one another, in conjunction with POTS traffic, to enable each party to support this functionality. (This option is provisioned subject to technical limitations, such as those that apply on ported numbers).

19.2.6 NYNEX will provide operator services call completion to MFS' operators and customers for the termination of calls from MFS' subscribers for completion of calls on NYNEX's network to NYNEX's customers. NYNEX will provide operator services call completion for its customers to enable the non-discriminatory termination of calls from NYNEX's customers to MFS' customers on MFS' network.

19.3 Yellow Page Maintenance

NYNEX will work cooperatively with MFS so that Yellow Page advertisements purchased by customers who switch their service to MFS (including customers utilizing Interim Telephone Number Portability) are maintained without interruption. NYNEX will allow MFS customers to purchase new yellow pages advertisements without discrimination, under the identical rates, terms and conditions that apply to NYNEX's customers.

19.4 Information Pages

NYNEX will include in the "Information Pages" or comparable section of its White Pages Directories for areas served by MFS, listings provided by MFS for MFS' installation, repair and customer service and other service-oriented information, including appropriate identifying logo. Such listings shall appear in the manner that such information appears for subscribers of NYNEX and other LECs. NYNEX shall not charge MFS for inclusion of this information.

20.0 GENERAL RESPONSIBILITIES OF THE PARTIES

20.1 Each of NYNEX and MFS shall use its best efforts to comply with the Implementation Schedule.

20.2 The Parties shall exchange technical descriptions and forecasts of their Interconnection and traffic requirements in sufficient detail necessary to establish the Interconnections required to assure traffic completion to and from all Customers in their respective designated service areas. MFS, for the purpose of ubiquitous connectivity, network diversity and alternate routing, shall connect to at least one Tandem Office Switch for the receipt/completion of traffic to any NYNEX End Office Switches.

20.3 Thirty (30) days after the Effective Date and each quarter during the term of this Agreement, each Party shall provide the other Party with a rolling, six (6) calendar month, non-binding forecast of its traffic and volume requirements for the services and Network Elements provided under this Agreement in the form and in such detail as agreed by the Parties. Notwithstanding Section 29.6.1, the Parties agree that each forecast provided under this Section 20.3 shall be deemed "Proprietary Information" under Section 29.6.

20.4 Any Party that is required pursuant to this Agreement to provide a forecast (the "Forecast Provider") or the Party that is entitled pursuant to this Agreement to receive a forecast (the "Forecast Recipient") with respect to traffic and volume requirements for the services and Network Elements provided under this Agreement may request in addition to non-binding forecasts required by Section 20.3 that the other Party enters into negotiations to establish a forecast (a "Binding Forecast") that commits such Forecast Provider to purchase, and such Forecast Recipient to provide, a specified volume to be utilized as set forth in such Binding Forecast. The Forecast Provider and Forecast Recipient shall negotiate the terms of such Binding Forecast in good faith and shall include in such Binding Forecast provisions regarding price,

quantity, liability for failure to perform under a Binding Forecast and any other terms desired by such Forecast Provider and Forecast Recipient. Notwithstanding Section 29.6.1, the Parties agree that each forecast provided under this Section 20.4 shall be deemed "Proprietary Information" under Section 29.6.

20.5 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in the standard format compatible with NYNEX's network and to terminate the traffic it receives in that standard format to the proper address on its network. Such facility shall be designed based upon the description and forecasts provided under Sections 20.2 and 20.3 above. The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan.

20.6 Neither Party shall use any service related to or using any of the Services provided in this Agreement in any manner that interferes with other persons in the use of their service, prevents other persons from using their service, or otherwise impairs the quality of service to other carriers or to either Party's Customers, and either Party may discontinue or refuse service if the other Party violates this provision. Upon such violation, either Party shall provide the other Party notice, if practicable, at the earliest practicable time.

20.7 Each Party is solely responsible for the services it provides to its Customers and to other Telecommunications Carriers.

20.8 The Parties shall work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, and any other services related to this Agreement.

20.9 Each Party is responsible for administering NXX codes assigned to it.

20.10 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of CLLI codes assigned to its switches.

20.11 Each Party shall use the LERG published by Bellcore or its successor for obtaining routing information and shall provide all required information to Bellcore for maintaining the LERG in a timely manner.

20.12 Each Party shall program and update its own Central Office Switches and End Office switches and network systems to recognize and route traffic to and from the other Party's assigned NXX codes. Except as mutually agreed or as otherwise expressly defined in this Agreement, neither Party shall impose any fees or charges on the other Party for such activities.

20.13 At all times during the term of this Agreement, each Party shall keep and maintain in force at each Party's expense all insurance required by law (e.g., workers' compensation insurance) as well as general liability insurance for personal injury or death to any one person, property damage resulting from any one incident, automobile liability with coverage for bodily

injury for property damage. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self insurance).

21.0 TERM AND TERMINATION

21.1 The initial term of this Agreement shall be three (3) years (the "Term") which shall commence on the Effective Date. Absent the receipt by one Party of written notice from the other Party at least sixty (60) days prior to the expiration of the Term to the effect that such Party intends to extend the Term of this Agreement or terminate this Agreement with or without cause, this Agreement shall automatically renew and remain in full force and effect on and after the expiration of the Term.

21.2 Payment of all amounts owed under this Agreement and handling of disputed amounts will be governed by the NYPSC Tariff No. 914 including but not limited to all remedies for non-payment.

21.3 Upon termination or expiration of this Agreement in accordance with this Section 21.0:

(a) each Party shall comply immediately with its obligations set forth in Section 29.6.3;

(b) each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement;

(c) each Party's indemnification obligations shall survive termination or expiration of this Agreement.

21.4 Except as set forth in Section 27.5 and Section 26.4, no remedy set forth in this Agreement is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under applicable law or otherwise.

22.0 DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

23.0 CANCELLATION CHARGES

Except as provided in Sections 9.6.4 and 19.4 and pursuant to a Network Element Bona Fide Request, or as otherwise provided in any applicable tariff or contract referenced herein, no cancellation charges shall apply.

24.0 NON-SEVERABILITY

24.1 The services, arrangements, Interconnection, Network Elements, terms and conditions of this Agreement were mutually negotiated by the Parties as a total arrangement and are intended to be non-severable, subject only to Section 29.14 of this Agreement.

24.2 Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of federal or state law, or any regulations or orders adopted pursuant to such law.

25.0 INDEMNIFICATION

25.1 Each party (the "Indemnifying Party") shall indemnify and hold harmless the other party ("Indemnified Party") from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to third parties for:

(1) damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
and

(2) claims for libel, slander, infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's Customers;
and

(3) claims for infringement of patents arising from combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

Notwithstanding this indemnification provision or any other provision in the Agreement, neither Party, nor its parent, subsidiaries, affiliates, agents, servants, or employees shall be liable to the other for "Consequential Damages" as that term is described in Section 26.4 below.

25.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand.

(1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.

(2) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.

(3) The parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

Notwithstanding any other provisions of this Agreement, MFS shall defend and indemnify NYNEX and shall hold NYNEX harmless from and against any and all Loss alleged to have been incurred by a customer of MFS or any other third party where such Loss arises or is attributable to NYNEX's performance or failure to perform a "Specified Activity" as that term is defined in Section 27, below.

26.0 LIMITATION OF LIABILITY

26.1 Except for the payment of Liquidated Damages by NYNEX to MFS pursuant to Section 27 below, no liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants or employees for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.

26.2 Except as otherwise provided in Section 25.0, no Party shall be liable to the other Party for any Loss, defect or equipment failure caused by the conduct of the other Party, the other Party's agents, servants, contractors or others acting in aid or concert with the other Party, except for gross negligence or willful misconduct.

26.3 In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

27.0 LIQUIDATED DAMAGES FOR SPECIFIED ACTIVITIES

27.1 Certain Definitions. When used in this Section 27.0, the following terms shall have the meanings indicated:

27.1.1 "Specified Performance Breach" means the failure by NYNEX to meet the Performance Criteria for any of the three Specified Activities as defined below, for a period of three (3) consecutive calendar months.

27.1.2 "Specified Activity" means any of the following activities:

- (i) the installation by NYNEX of unbundled Links for MFS ("Unbundled Link Installation");
- (ii) NYNEX's provision of Interim Telecommunications Number Portability to MFS or
- (iii) the repair of out of service problems for MFS ("Out of Service Repairs").

27.1.3 "Performance Criteria" means, with respect to each calendar month during the term of this Agreement, the performance by NYNEX during each month of each Specified Activity shown in Schedule 27.0, subparagraphs 1 and 2, within the time interval shown in at least eighty percent (80%) of the covered instances, except as otherwise provided for in the Schedule in subparagraph 3.

27.2 Specified Performance Breach. In recognition of the (1) loss of Customer opportunities, revenues and goodwill which MFS might sustain in the event of a Specified Performance Breach; (2) the uncertainty, in the event of such a Specified Performance Breach, of MFS having available to it customer opportunities similar to those opportunities currently available to MFS; and (3) the difficulty of accurately ascertaining the amount of damages MFS would sustain in the event of such a Specified Performance Breach, NYNEX agrees to pay MFS, subject to Section 27.4 below, damages as set forth in Section 27.3 below in the event of the occurrence of a Specified Performance Breach.

27.3 Liquidated Damages. The damages payable by NYNEX to MFS as a result of a Specified Performance Breach shall be a total of \$75,000 for each Specified Performance Breach (collectively, the "Liquidated Damages"). MFS and NYNEX agree and acknowledge that (a) the Liquidated Damages are not a penalty and have been determined based upon the facts and circumstances of MFS and NYNEX at the time of the negotiation and entering into of this Agreement, with due regard given to the performance expectations of each Party; (b) the Liquidated Damages constitute a reasonable approximation of the damages MFS would sustain if its damages were readily ascertainable; and (c) MFS shall not be required to provide any proof of the Liquidated Damages.

27.4 Limitations. In no event shall NYNEX be liable to pay the Liquidated Damages if NYNEX's failure to meet or exceed any of the Performance Criteria is caused, directly or indirectly, by a Delaying Event. A "Delaying Event" means (a) a failure by MFS to perform any of its obligations set forth in this Agreement (including, without limitation, the Implementation Schedule and the Joint Grooming Plan), (b) any delay, act or failure to act by a Customer, agent or subcontractor of MFS, (c) any Force Majeure Event (d) or such other delay, act or failure to act as upon which the parties may agree. If a Delaying Event (i) prevents NYNEX from performing a Specified Activity, then such Specified Activity shall be excluded from the calculation of NYNEX's compliance with the Performance Criteria, or (ii) only suspends NYNEX's ability to timely perform the Specified Activity, the applicable time frame in which

NYNEX's compliance with the Performance Criteria is measured shall be extended on an hour-for-hour or day-for-day basis, as applicable, equal to the duration of the Delaying Event.

27.4.1 MFS shall meet the specific performance standards associated with quality of service requests as specified in Schedule 27.1 in the same percentages as set forth in Schedule 27.0. Should MFS fail to meet these quality of service request standards, during a period corresponding to that measured in calculation of Liquidated Damages payable by NYNEX to MFS, NYNEX will not be liable for payment of any applicable Liquidated Damages for that time period.

27.5 Sole Remedy. The Liquidated Damages shall be the sole and exclusive remedy of MFS under this Agreement for NYNEX's breach of the Performance Criteria and a Specified Performance Breach as described in this Section 27.0.

27.6 Records. NYNEX will endeavor to maintain complete and accurate records, on a monthly basis, of its performance under this Agreement of each Specified Activity and its compliance with the Performance Criteria. NYNEX shall provide to MFS such records in a self-reporting format on a monthly basis. Notwithstanding Section 29.6.1, the Parties agree that such records shall be deemed "Proprietary Information" under Section 29.6.

27.7 Start Date. NYNEX and MFS shall jointly agree on appropriate measurements for the enforcement of this Section 27 within 30 days of this Agreement. Performance monitoring and liquidated damages shall begin on August 1, 1996 for those items covered in 27.1.2 (i) and (ii) and October 1, 1996 for 27.1.2 (iii).

28.0 REGULATORY APPROVAL

The Parties understand and agree that this Agreement will be filed with the Commission and may thereafter be filed with the FCC. The Parties covenant and agree that this Agreement is satisfactory to them as an agreement under Section 251 of the Act. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252 of the Act without modification. The Parties, however, reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission or FCC rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s).

This agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction.

29.0 MISCELLANEOUS

29.1 Authorization.

29.1.1 New York Telephone Company is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

29.1.2 MFS is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

29.2 Compliance. Each Party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement.

29.3 Compliance with the Communications Law Enforcement Act of 1994 ("CALEA"). Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with CALEA. Each Party shall indemnify and hold the other Party harmless from any and all penalties imposed upon the other Party for such noncompliance and shall at the non-compliant Party's sole cost and expense, modify or replace any equipment, facilities or services provided to the other Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.

29.4 Independent Contractors. Neither this Agreement, nor any actions taken by NYNEX or MFS in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between MFS and NYNEX, or any relationship other than that of purchaser and seller of services.

Neither this Agreement, nor any actions taken by NYNEX or MFS in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between NYNEX and MFS's end users or others.

29.5 Force Majeure. Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (collectively, a "Force Majeure Event").

If any force majeure condition occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the force majeure condition. During the pendency of the force majeure, the duties of the Parties under this Agreement affected by the force majeure condition shall be abated and shall resume without liability thereafter.

29.6 Confidentiality.

29.6.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a "Disclosing Party") that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, agents or Affiliates (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be marked "Confidential" or "Proprietary" or by other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, it (a) shall be held in confidence by each Receiving Party; (b) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used only for such purposes; and (c) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law only in accordance with Section 29.6.2.

29.6.2 If any Receiving Party is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then either seek appropriate protective relief from all or part of such requirement or, if it fails to successfully do so, it shall be deemed to have waived the Receiving Party's compliance with Section 29.6 with respect to all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to obtain.

29.6.3 In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.

29.7 Governing Law. For all claims under this Agreement that are based upon issues within the jurisdiction (primary or otherwise) of the FCC, the exclusive jurisdiction and remedy for all such claims shall be as provided for by the FCC and the Act. For all claims under this Agreement that are based upon issues within the jurisdiction (primary or otherwise) of the

Commission, the exclusive jurisdiction for all such claims shall be with the Commission, and the exclusive remedy for such claims shall be as provided for by such Commission. In all other respects, this Agreement shall be governed by the domestic laws of the state of New York without reference to conflict of law provisions.

29.8 Taxes. Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party.

29.9 Non-Assignment. This Agreement shall be binding upon every subsidiary and affiliate of either Party that is engaged in providing telephone exchange and exchange access services in any territory within which NYNEX is an Incumbent Local Exchange Carrier as of the date of this Agreement (the "NYNEX Territory"), and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Each Party covenants that, if it sells or otherwise transfers to a third party its telephone exchange and exchange access network facilities within the NYNEX Territory, or any portion thereof, to a third party, it will require as a condition of such transfer that the transferee agree to be bound by this Agreement with respect to services provided over the transferred facilities. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void ab initio. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

29.10 Non-Waiver. Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege.

29.11 Disputed Amounts.

29.11.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall within thirty (30) days of its receipt of the invoice containing such disputed amount give notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The

Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party and (ii) all Disputed Amounts into an interest bearing escrow account with a third party escrow agent mutually agreed upon by the Parties.

29.11.2 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within ninety (90) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, however all reasonable requests for relevant information made by one Party to the other Party shall be honored.

29.11.3 If the Parties are unable to resolve issues related to the Disputed Amounts within forty-five (45) days after the Parties' appointment of designated representatives pursuant to Section 29.11.2, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity. The Commission may direct release of any or all funds (including any accrued interest) in the escrow account, plus applicable late fees, to be paid to either Party.

29.11.4 The Parties agree that all negotiations pursuant to this Section 29.11 shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence. Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.

29.12 Notices. Notices given by one Party to the other Party under this Agreement shall be in writing and shall be (a) delivered personally, (b) delivered by express delivery service, (c) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested or (d) delivered by telecopy to the following addresses of the Parties:

To MFS:

MFS Intelenet of New York, Inc.
33 Whitehall Street
15th Floor
New York, NY 10004
Attn: Director, Regulatory Affairs - Eastern Region
Facsimile: (212) 843-3060

To NYNEX: